
Certified Public Accountants

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE
WITH SECTION 2925(3)(f) OF THE
NEW YORK STATE PUBLIC AUTHORITIES LAW**

To the Board of Directors of the
Buffalo Water Board
City of Buffalo, New York:

We have audited, in accordance with auditing standards generally accepted in the United States of America, the financial statements of the Buffalo Water Board (the "Water Board"), a component unit of the City of Buffalo, New York (the "City"), as of and for the years ended June 30, 2018 and 2017, and the related notes to the financial statements, which collectively comprise the Water Board's basic financial statements, and have issued our report thereon dated October 29, 2018 (which report includes an emphasis of matter paragraph regarding the implementation of GASB Statement No. 75).

In connection with our audit, nothing came to our attention that caused us to believe that the Board failed to comply with Section 2925(3)(f) of the New York State Public Authorities Law regarding investment guidelines during the year ended June 30, 2018. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the Board's noncompliance with the above rules and regulations.

The purpose of this report is solely to describe the scope and results of our testing. This communication is not suitable for any other purpose.

Drescher & Malecki LLP

October 29, 2018